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DEPT FOR EAP/CM STATE PASS USTR FOR STRATFORD, WINTER, LOI TREASURY FOR AMB. HOLMER, WRIGHT, TSMITH TREASURY FOR OASI - DOHNER, HAARSAGER, CUSHMAN COMMERCE FOR ITA/MAC - DAS KASOFF, MELCHER, MCQUEEN NSC FOR WILDER AND TONG

E.O. 12958: DECL: 9/27/2017
TAGS: PHSA PHUM KJUS SOCI ETRD CH
SUBJECT: SHANGHAI GOVERNMENT PROMISES TO PUBLISH ALL DRAFT LAWS FOR COMMENTS

CLASSIFIED BY: Christopher Beede, Political/Economic Section Chief, U.S. Consulate , Shanghai . REASON: 1.4 (b), (d)

11. (C) Summary: In a September 19 lunch discussion, Shanghai Municipal People's Congress officials confirmed news reports that the Shanghai Government will publish all of its draft laws on the Internet for public comment and hold public hearings on drafts that it considered affected people's daily lives. Shanghai has experimented with publishing a select few draft laws on the Internet and holding public hearings in the past few years. The officials believe that the move will increase public participation and transparency, but noted that the Shanghai Government wants to move slowly and that increasing public participation and transparency is a slow step-by-step process. One said that most of the public did not understand the importance of public participation and are only interested in laws that affect their daily lives. In addition, public hearings are scheduled for the daytime which make it difficult for most working people to attend. End Summary.

Shanghai Government Announcement

¶2. (SBU) According to Chinese news reports on September 11, the Shanghai Government will publish all of its draft laws for public comment on its website (www.shanghai.gov.cn) and on a news website (www.Eastday.com). For laws that affect the people's daily lives, the Government will also hold public hearings. For the past few years, the Shanghai Government has experimented with publishing draft laws on its website and holding public hearings. However, in the past, the Government only published draft laws that it considered affected people's everyday lives. According to the Shanghai municipal website, of the 10 laws it considered last year, four draft laws were placed on the website. The public could make comments via the phone, email, or regular mail. The Government also held public hearings for two of the draft laws: Shanghai City Road

Increasing Public Participation Step-by-Step

- 13. (C) On September 19, Poloff and ConGen FSN Rule of Law Coordinator (ROLC) met with Shanghai Municipal People's Congress (SMPC) Foreign Affairs Office Director Xiang Yang and SMPC Legislative Research Office Secretary General Liu Xiaoming to discuss the initiative. Xiang confirmed that the Shanghai Government will indeed publish all of its draft laws for public comment in an attempt to increase public participation in government. Shanghai Government employees will collect and summarize the comments for the government's consideration in coming up with the final draft legislation. Both indicated that the government is satisfied with its past attempts at holding public hearings and publishing draft laws. They believe that the hearings had lead to improvements in the laws. Liu said, for example, during the hearing on the Shanghai Greening Regulation last year, SMPC delegates traveled to a local community center and met with members of the public to discuss the law. This discussion was beneficial because it not only allowed the SMPC to receive some feedback on the draft law, but also provided a forum for SMPC delegates to engage with the public on the grassroots level.
- 14. (C) Both Xiang and Liu thought it is important to increase public participation in government. They insisted, however, that this is a slow process that should occur step-by-step. Xiang said the public has little understanding of the legislative process and worried that moving too fast would lead to problems. While some young people understand that they can and should provide input on local legislation, many in the community either did not care about local legislation or believe that they did not have a role in legislation. Xiang added that

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one of the reasons the SMPC is not planning on holding hearings on all draft laws is that it did not believe that there would be any interest from the public on laws that did not affect their daily lives.

Public and Non-Public Hearings

15. (C) Liu asserted that the public hearings are actually not very representative. Hearings are scheduled for the daytime and most of the participants are elderly people who have a lot of free time. Poloff noted that many local level hearings in the United States take place in the evening to allow for more people to attend and suggested that the Shanghai Government move the hearing times. Liu thought it was unlikely that the government would change the times for the hearings and said that hearings needed to occur during working hours to enable government officials to attend. The SMPC also organizes non-public hearings in which academics and government officials meet to discuss the draft laws. This is another source for feedback on draft laws. Liu was noncommittal when Poloff and ROLC asked whether they could attend the public hearings. She suggested that ROLC apply through normal channels as a Chinese citizen to attend and noted that seating is limited.

Growing Awareness of Rights

16. (C) Both Liu and Xiang asserted that the public is becoming more aware of its rights. Xiang said people are now suing the government or organizations to protect their rights, especially when it comes to their property rights. Both Liu and Xiang lived through the Cultural Revolution. Xiang said at that time, the Red Guard could just confiscate anyone's house without question. There were no property rights. Now, the Shanghai Government has a policy in which a neighborhood cannot be demolished (cai qian) without getting the unanimous agreement of everyone in the neighborhood. Liu and Xiang predicated that people will become even more aggressive in protecting their

rights when the new national Property Law comes into effect on October 1. They praised the law as an "economic constitution" and predicted that it will bring dramatic changes to people's lives. The law will make it easier for people to sue developers for violating their property rights. Xiang even said his father-in-law is waiting for the Property Law to come into effect to sue a company that was building a skyscraper that blocked the sun from their house.

Comment: An Advancement Yes, A Breakthrough No

17. (SBU) Although the decision by the Shanghai Government does increase transparency in the legislative process and increases the public's exposure to draft laws, it is too early to say that the decision is a breakthrough. Hearings are still held at times which prevent a majority of people from attending and it is still unclear how comments are passed on to the Municipal People's Congress delegates. Consulate will continue to track this initiative and report on its implementation.